November 03, 2026

BSE Limited
P.J. Towers,
Dalal Street,
Mumbai- 400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051

Scrip Code: 543386

Symbol: FINOPB

Dear Sir/Madam,

Sub: Transcript of the earnings call with the investors and analysts held on October 30, 2026 - Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Earnings call with Investors and Analysts on October 30, 2026

In continuation to our letter dated October 21, 2026 and October 30, 2026, please find enclosed herewith the transcript of the earnings call with the investors and analysts held on October 30, 2026.

This disclosure will also be available on the Bank's website i.e. www.fino.bank.in

Kindly take the same on record.

Thanking You

Yours faithfully,
For Fino Payments Bank Limited

Basavraj Shivanand Loni
Digitally signed by Basavraj Shivanand Loni
Date: 2026.11.03 18:01:29 +05'30'

Basavraj Loni
Company Secretary & Compliance Officer

Place: Navi Mumbai

Encl: As above

“Fino Payments Bank Limited

Q2 FY27 Earnings Conference Call”

October 30, 2026

MANAGEMENT: **MR. KETAN MERCHANT – INTERIM CHIEF EXECUTIVE OFFICER – FINO PAYMENTS BANK LIMITED**
MR. ANUP AGARWAL – INTERIM CHIEF FINANCIAL OFFICER – FINO PAYMENTS BANK LIMITED
MR. TEJAS MANIAR – CHIEF DIGITAL AND LIABILITIES OFFICER – FINO PAYMENTS BANK LIMITED

MODERATOR: **MS. SHEETAL KHANDUJA – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to Fino Payments Bank for Q2 FY27 Earnings Conference Call hosted by Go India Advisors. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Sheetal Khanduja from Go India Advisors. Thank you, and over to you, ma'am.

Sheetal Khanduja: Thank you, Huda. Good afternoon, everyone, and welcome to the Q2 FY27 Earnings Call of Fino Payments Bank. We have on the call Mr. Ketan Merchant, Interim Chief Executive Officer; Mr. Anup Agarwal, Interim Chief Financial Officer; and Mr. Tejas Maniar, Chief Digital and Liabilities Officer. We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risk that the company faces.

May I now request the management to take us through the financials and the business outlook, subsequent to which we will open the floor for Q&A. Thank you, and over to you, Ketan.

Ketan Merchant: Thank you, Sheetal. Good afternoon, everyone, and thank you for joining us on Fino Payments Bank earnings call for the second quarter and first half of FY27. Let me begin with where we stand on our journey of becoming Small Finance Bank. We are making steady and visible progress and remain on track to meet RBI stipulated conditions within the prescribed timeline. On SFB preparedness, we made meaningful progress this quarter across technology, people and process.

On the people front, we strengthened our leadership team with four senior executives who will drive branch banking, liabilities, credit risk and MSME lending. Each of them brings a unique set of skills and expertise to the table backed by over two decades of experience in banking industry.

On technology front, we are building capabilities which complements our existing distribution ecosystem, enhancing our enterprise-wide technology architecture and create seamless customer journeys from sourcing to sanction and execution with minimum manual intervention. On the process and project management and governance, PricewaterhouseCoopers continues to support our program and operational readiness.

We are establishing a robust governance, risk and compliance framework, along with the core policy suite that a Small Finance Bank requires. These are investments we are making ahead of growth, however, important from the long-term sustainable perspective.

Turning to our loan referral business, which serves as a foundation of our broader lending franchise. Total disbursals in Q2 were INR 762 crores, up by 286% on a year-on-year basis. While for H1'27, disbursals stood at INR 1,390 crores, already surpassing full-year levels of FY26, which stood at INR 1,285 crores. We have consciously kept this business centered on

collateral-based lending, which aligns with our strategy on secured portfolio once we enter the Small Finance Bank era.

Beyond fee income today, referral business deepens organizational insights into customer credit market demand, servicing experience and stronger lending partnerships ahead of the launch of our own lending business. This growth currently being witnessed is a testimony to scalability of our differentiated credit sourcing model through merchants.

Our capital position continues to remain comfortable, and we are above the regulatory requirement for the proposed Small Finance Bank. And our business plan through FY30 remains exactly the same as we had predicted earlier. We will continue to build a predominantly fee-based business and strong liability franchise, complemented by secured lending portfolio.

Coming to our liability franchise, this remains the cornerstone of our model and our biggest strategic differentiator. Our CASA base is inching towards a 2-crore mark, having reached 1.91 crore as at September 2026. This quarter saw 8.2 lakh new accounts open, averaging roughly 1 new account being opened every 10 seconds. Average total deposits grew by 12% on a Y-o-Y basis to INR 2,794 crores, continuing its growth momentum.

To further strengthen the deposit base, we have launched a daily deposit plan product wherein merchants would get the customers to deposit fixed daily amount in the account and thereby encouraging customers to save and build disciplined saving habits and convenience to small vendors through deposits in their bank accounts every evening post banking hours.

In addition, we are also planning to launch value savings account in partnership with NBFC and other institutions, which are our CMS business associates to cater to customers obtaining loans from these financial institutions that is B2B2C customer acquisition strategy. CASA segment contributed INR 174 crores or 52% of our revenue, including a record renewal income of INR 74.6 crores, which we see as one of the biggest indicators of sustainable retail income.

Our cost of funds for Q2'27 was 1.4%, giving Fino a structural cost advantage. Further, we expect our cost of funds to be around 4% even after SFB conversion, retaining an advantage of roughly around 250 to 300 basis points over the traditional SFBs. Our more than 20 lakhs strong asset-light merchant network remains a key competitive strength.

It helps us acquire customers at a relatively low cost and gives us a ready distribution platform for future banking and lending products. Digital engagement also continues to deepen as digitally active customers in September'26 stood at 64.9 lakhs, while for the entire second quarter of FY27, it stood at 87.9 lakhs.

Turning to our traditional transaction business. We saw a sequential increase in throughput and revenue from remittance and Aadhaar Enabled Payments System. Overall, UPI continues to dominate the ecosystem and driving behavioral shift from cash or card-based small ticket size transactions to UPI. To address this shift, we have launched Cash@UPI, wherein a customer will be able to withdraw cash using UPI at a Fino merchant point. In times to come, this has potential to increase and serve as a replacement of traditional ATMs.

Further, NPCI, along with partner banks, including Fino, launched 3-party cash deposit product backed by AEPS during the Global Fintech Festival 2026, wherein customers can deposit cash into other person's beneficiary account by providing valid KYC and authentication. This will also provide some support to the transaction business volumes. Our B2B business, CMS throughput grew 13% sequentially and 12% on a Y-o-Y basis to INR 20,511 crores.

The uptick was a result reaffirming the confidence of our business alliances, NBFCs, Fintech, e-commerce and others in our institution. Competition in this segment continues to weigh on pricing, hence our focus remains on volume and network engagement and reinstatement of our earlier B2B partners.

In Q1 FY27, our B2B and Alliance business had reduced due to skepticism of an event, which had happened. Now in Q2 and more, we are indeed working towards regaining the market share in this alliance and B2B space as seen in the CMS and alliances numbers, which I just stated earlier. On digital business front, we had indicated the relaunch of our UPI B2B P2M segment during the year, and I'm happy to share that we are on track and shall be resuming these services of this product by Q4 FY27.

Overall, Q2 FY27 or H1 FY27 was a period of consolidation, execution against our strategic priorities of winning back our partners. We continue to strengthen our liability franchise, advance our SFB roadmap across technology, people and governance and rebuilt our cash services for UPI first world while absorbing the cost of that investment.

Our objective remains to build a differentiated digital-led AI-driven Small Finance Bank anchored on 3 enduring strengths: the strong liability or I can say, liability-first franchise with a structural cost of fund advantage, a predominantly secured and asset-light lending model powered by our physical distribution network and technology-led operating platform built around physical and AI-enabled lending capabilities.

FY27 remains a transition year, and our priorities are unchanged. sustainable long-term vision and growth, disciplined execution and investment for growth are our key priorities for this year.

With that, let me hand it over to Anup to take you through the financial performance in more details. Over to you, Anup.

Anup Agarwal: Thank you, Ketan. Good evening, everyone. Let me start with the overall perspective. In Q1 FY27, our revenue recovered sequentially, supported by recovery in both retail transaction business and our B2B alliances business. Our net revenue margin compressed sequentially, but remained higher than last year due to higher contribution from the high-margin CASA segment.

Our liability continued to strengthen and deepen digital presence. Revenue for the quarter stood at INR 333.6 crores, up 9% sequentially and down 17% year-on-year. For the first half of the fiscal, revenue was around INR 640 crores, down 25% year-on-year. The year-on-year decline is largely driven by recalibration of our B2B P2M business.

Our sequential growth across all revenue verticals during Q2 FY27 over Quarter 1 demonstrates confidence of our merchants, business alliances and other associates in the institution.

Throughput grew by 4% sequentially to INR 1.15 lakh crores despite ecosystem challenges on new menus, enhanced daily inquiries, tough competition in the B2B alliances business.

In terms of mix, CASA contributed around 52% of the total revenue. Traditional transaction business and B2B alliances regained some volumes during the quarter. Net revenue was around INR 127.1 crores, down 14% year-on-year. However, sequentially, it grew by 3%. Our net revenue margin was around 38.1%, which is 100 basis points higher than the last year's net revenue margin. And however, it is lower by 450 basis points sequentially.

Similarly, for the first half, our net revenue margin was around 40.3% against 35.2% a year ago, an improvement in 500 basis points, which reflects structural improvement in the quality of our revenue mix. On the expense side, our operating costs marginally grew by 5.8% year-on-year and 4.5% sequentially. For the first half, the operating cost was around INR 180 crores, up only 1.6% year-on-year. Our cost-to-income ratio improved to 27.6% in Quarter 2 versus 28.7% in Quarter 1. We are maintaining frugality and in parallel, investing in technology and talent.

Moving to profitability. EBITDA was around INR 35.1 crores with a margin of 10.5% compared with INR 61.6 crores a year ago and INR 43.1 crores in Quarter 1. In terms of cash profit, we continue to remain positive. We will continue to invest in people, process and technology, which might have an impact in the short-term profitability. However, help in building long-term robust, sustainable and resilient institution.

Coming to our further operations, our liability franchise continued to be the strongest pillar of our business. Account opening momentum was sustained with 8.2 lakh new accounts opened. The CASA renewal revenue showing highest ever during any quarter. Our deposits grew at around 12% to INR 2,794 crores during the quarter. The growth of CASA keeps improving the quality of our earnings today as its contribution keeps rising and creates a solid funding base for a Small Finance Bank. In the traditional transaction business, AEPS and remittance recovered 50% and 18% sequentially, driven by increase in the DBT activity during the quarter.

Coming to our B2B business, CMS segment throughput grew 12% year-on-year to INR 20,500 crores. As mentioned earlier, it was part of our regaining the business volume strategy. The pricing competition still exists in this space, which has impacted the take rates, but we believe the sustained throughput will contribute to revenue and subsequently to the profitability.

Our loan referral business, as mentioned by Ketan, which is a foundation or a starting point for our launch of SFB, saw disbursals increase by 2.5x year-on-year to INR 1,390 crores in H1 '27. The pipeline remains aligned with the secured segments we intend to focus on, namely gold loans, affordable housing, loan against property and secured MSME lending.

Our Fund Management Treasury, despite rate cuts during FY26, we have been able to deliver higher yields, approximately 100 basis points, than the market yields, which also has contributed to our revenue. On the regulatory front, our net worth and capital adequacy are well above the regulatory requirements even from an SFB perspective.

Looking ahead, our strategic direction is unaltered. We will continue to strengthen our liability franchise, maintain disciplined cost management and invest selectively in capabilities required for the transition.

Overall, we believe the foundation we are building together with our structural funding advantage, disciplined execution and focus on secured lending positions us well to create sustainable long-term value for our stakeholders.

With that, we are happy to take any questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Ankit Kanodia from Zen Nivesh. Please proceed.

Ankit Kanodia: Congratulations on a good run rate on the referral loan. Sir, my first question is regarding the Slide number 12, where we have mentioned about the SFB time line. And we say that submission of final readiness to the RBI and go live in Q1 FY28. How confident we are that we'll be able to achieve it? Do we see any delays which can happen maybe from RBI side? Or are we very confident that we'll be able to start by Q1 FY28? That's my first question, sir.

Ketan Merchant: Ankit, thanks, Ketan here. I think it's a very pertinent question. As I said earlier, we are working towards the projects. We are a listed bank, and we are a scheduled bank. So a lot of the liability franchise, etcetera, is already built in across. As we captured across on Slide 12, currently, as we speak, we are tracking on that kind of schedule and timetable, okay?

As regards to how RBI looks at it, what timelines, etcetera, that's something which we cannot comment across as well. But as we speak, I would just like to reiterate the point that we are tracking the SFB time lines as they are, what is meant for us currently and what is captured on Slide 12.

Ankit Kanodia: Great. Sir, my next question is related to MDR. In the previous call, I asked this, and I think you mentioned that, yes, MDR would be a definite positive for us. Now that MDR has been pushed to January, how do we see that directionally? I'm not asking for any guidance, directionally, how does that help us from Q3 onwards if it comes into effect? Any color you want to share on that?

Ketan Merchant: I'll get Tejas to maybe answer that. He's best placed amongst all of us.

Tejas Maniar: Ankit, that's a fair question. So currently, we have prepared ourselves any which ways from a relaunch point of view. Outside of that, we are speaking to our potential partners with respect to our current partnerships. But as we said, once the MDR comes is when we'll be able to actually go ahead and give some amount of guidance. But I mean, my guess is as good as yours as to when it will be actually implemented. So there is no point right now to be very honest in putting the horse before the cart or the cart before the horse.

Ankit Kanodia: Yes. Fair enough, sir. And my next question is the new products which we launched, Cash@UPI and daily deposit plan, these are also fee-generating products. So will MDR impact here as well? Or do we see it as outside the purview of MDR.

Ketan Merchant: No. So Ankit, just to put a perspective, and it's a good question, our daily deposit plan is not a fee generating. It is one of our initiative to increase the float balances. This is to inculcate where a small-time account holder, a small-time vendor every day after the working hours where bank is done and he's done through his daily business throughput, etcetera, he can deposit an amount at any point of time in the evening or night into our bank account. So instead of keeping cash, he can get some interest coming out of that. So, daily deposit is something which we are catering to enhance our liability franchise.

Cash@UPI and other Aadhaar Enabled Payment System, just to corroborate what is Cash@UPI, just let us keep it very simple. As I said earlier, it is an NPCI approved product wherein we can instead of using Aadhaar Enabled Payment System, debit card for ATM, a QR or dynamic QR code is generated and a withdrawal can happen.

That will be a fee-based product. It does not entail any kind of an MDR coming across out there. Third product is the Aadhaar Enabled Deposit Payment. That also is not linked to MDR in any manner.

Ankit Kanodia: One last question, if I may. Regarding the referral loans, as we are focused on majority -- not majority, in fact, probably everything is secured. And especially in the gold loan, what we are hearing from all the other players who are in the gold loan, there is some stress being seen. Are we also seeing something similar in our cases? Or is it something different here?

Ketan Merchant: So, just to clarify, currently, our endeavor on this loan referral and our outlook out here, I would not say outlook, but our activity out here is just purely referral. Underwriting is done essentially by a partner in our current scenario. As regards to some articles which you are referring to gold loan is under stress, etcetera, etcetera.

I think we are firstly, if we do not underwrite, we do not know. But whatever data point which we are looking at and the kind of growth which we have seen in our portfolio or in our demographics, etcetera, does not seem to suggest that any skepticism coming in terms of a further underwriting by the underwriters.

So I think it's too premature to comment on whether the gold loan will come under stress for us currently. But our growth plans and our geography where we are growing essentially or in our demographic, which we are growing is showing a good way of growth without skepticism coming on the underwriter side.

Moderator: The next question is from the line of Manish Kumar Jain from Prudent Securities.

Manish Kumar Jain: Sir, as we are transiting towards the Small Finance Bank, the window we got for 18 months, we have already crossed 10 months. Where are we standing now? Are we starting to open the branches of small finance bank or are we waiting for the final approval?

Tejas Maniar: So, as you rightly said what you just mentioned. We are already in the journey of transition into Small Finance Bank. So we still have time to prepare for the branches and all. We have already identified the locations, geographies, districts and in the process of firming up the branch plan, and it should be ready by the Q4 before we apply to the RBI.

Manish Kumar Jain: So, presently our business is all about loan referrals and our old pattern is coming up on that?

Tejas Maniar: Right. Sir, just for your information, currently also, we have around 125 branches and contact service points across India, apart from our merchant network. So those will also be converted into a Small Finance Bank branch. So in addition, we are also planning to open approximately 40-odd branches, liability branches and around 25 to 30 asset centers in the first year of operations.

Ketan Merchant: Manish-ji, this is Ketan speaking. Your question was that even after we become the SFB, our credit sourcing will not be through branches only. We will leverage through our merchant model as well. So, our current business model, even after SFB, it will continue to leverage the merchant model for assets as well as liabilities.

Manish Kumar Jain: Our business is currently running on loan referral. If we convert into a Small Finance Bank, we will be able to directly lend loans. Otherwise, as we are moving forward, it will get more enhanced?

Ketan Merchant: Absolutely.

Moderator: The next question is from the line of Harsh an Individual Investor.

Harsh: Okay. So I wanted to know -- so we are targeting to transition in around the first quarter of next year. So when we do that, we'll have INR 2,500 crores to INR 3,000-odd crore deposit book ready to be lent out. So I'm not asking for an exact guidance, but a rough estimate of how much -- what sort of AUM are we targeting in the first year of operations?

Ketan Merchant: So we had earlier also presented it across that you are right, we have an opening balance of our deposits. Most likely, it will be a number which will be much more than what you just said. But we are looking at anywhere around INR 2,000 crores odd, kind of, disbursal, which will be happening across the portfolios and the secured product, which we are looking at.

As we grow closer to the launch date and we are testing the preparation, as I just said, the kind of our loan referral enhancement, which is coming across, the number can vary as well. It can be slightly more or less depending upon what we are seeing over next 3 quarters in terms of our loan referral business as well.

I think one point which is to be noted, and again, I'm not deferring from anything which we have put earlier in our strategic map in terms of year-by-year on SFB is, we want to focus on a secured portfolio, and we want to leverage our current merchant channel. These are the 2 most important things, which will give us quite a differentiation, which we come across in SFB.

Harsh: Okay. So, the INR 2,000-odd crores of assets is approximately in the first 12, 15 months?

Ketan Merchant: Yes.

Harsh: Okay. And my second question is something I asked previous quarter also. So as an analyst, what worries me is that we are a payment bank and the deposits we are raising are more of like

a transactional float. And I just wanted to understand how are we planning to finance assets on a deposit book that comes and goes.

Anup Agarwal: So let me take that question. So currently, if you see, there is a constant growth in our deposit balance. And what we have also observed from that behavior 90% of our deposits remain as a core balance, which is very critical from a lending point of view. So they are sticky and core for us. So 90% of our balance remains core.

Currently, I mean, a large part of 99% of these balances are savings account balances. So that itself also gives us the confidence that this will remain as a core during the SFB transition as well.

Harsh: Okay. Yes. That makes sense. And so as a payments bank, I think we can't keep deposits of above INR 2 lakhs, right? So how much deposits will accrue back to us the moment we transition?

Ketan Merchant: That's essentially, if I understand your question right, you are saying that once the restrictions of INR 2 lakhs go away, what is the impetus or what is the increment which we can see in the deposit growth? Is that what you are alluding towards?

Harsh: Yes.

Ketan Merchant: See, again, as someone earlier asked about the question as well, we are gradually changing our demographics coming across. Somewhere as we currently speak, our deposit is between anywhere in the range of 1,500 average balances as well. We are gradually going towards this. In our earlier presentations, we have demonstrated or we have depicted rather that we will be opening some branches to cater the different demographics as well.

So those are the plans which we have anyway separately published across, not in terms of numbers, but in terms of a plan that how do we want to cater this off. As we speak, currently, do we have a number that how much will be the difference coming on account of only INR 2 lakhs? I don't think we are targeting it that way. However, in addition to INR 2 lakhs, it will also be - fixed deposits will be allowed, recurring deposits will be allowed.

So, there are a lot of other liabilities or deposit restriction, which are currently there in payment bank may not be there in Small Finance Bank. That's how we are catering to an overall kind of a deposit growth, which is coming across. So maybe as we come closer towards the opening of these branches and locations is where we will maybe have some sort of impetus coming on that.

Harsh: Sure. And do we intend to continue our renewal and referral businesses like those line items will still continue?

Ketan Merchant: See, renewal will definitely continue. As I think earlier, I said of around INR 330-odd crores of revenue, INR 74 crores has been renewal. So we are going to continue in terms of our renewal income coming across as well because that's something which we've built over the last 6-7 years and does cater to a specific kind of a demographic coming. As regards to referral, again, as we said, we are broadly doing INR 250 crores of lending referral currently on a monthly basis.

We will then just take a stock of how do we want to do it across. The most simplest and most placid manner is that depending upon the kind of growth which we see it across, most of it, we can underwrite it ourselves as well. So that, again, renewal, yes, referral, we'll just have to take the stock as it comes towards the beginning of the SFB.

Harsh: Or maybe we can lend out on the secured side and refer on the unsecured. Is that also a possibility?

Ketan Merchant: I don't think we have gone into that part. As we speak, currently, our endeavor is check the referral lending to go towards underwriting for yourself. And as I think Anup said earlier or we put it in the investor deck as well earlier is we are looking for a larger part of our portfolio to be secured. So, we will take this call whether how do we leverage the referral more closer towards the SFB launch.

Moderator: The next question is from the line of Priti Agarwal from SK Associates.

Priti Agarwal: I wanted to understand that how is Fino planning to manage credit risk and collection efficiency, along with asset quality as you plan to move towards your lending operations?

Ketan Merchant: So thank you for the question. And in terms of the credit risk, just to highlight, currently in terms of the customer, we are only targeting in the initial first 3 years of captive consumption of the loans. That is we are targeting our own customers and merchants for which we have already their transaction behavior, their cash flows for 3 to 4 years transaction history we have. That is our first target customers for the credit underwriting. That is one.

Secondly, in terms of the collection efficiency, currently, if you see one of our business verticals is a cash management system where we currently collect around more than INR 6,500 crores every month. And 60% of these collections are for the NBFCs and the banks or the MFIs in the rural India.

So, where the EMI collections happen at our merchant points. So already, we have the infrastructure or distribution network, which will utilise or leverage for our collection purpose as well.

Priti Agarwal: Understood. And what is your medium-term guidance for revenue growth, EBITDA margins and return on assets?

Anup Agarwal: So currently, I will refrain from saying any guidance for this financial year. We are trying to -- as Ketan mentioned in his opening remarks that this is a year of transition. We are trying to regain our business volumes and focus on building up for the Small Finance Bank transition. So we'll continue to invest in technology and talent. Hence, this should be treated as a year of transition for us.

Moderator: The next question is from the line of Arpan Gandhi from AG Capital.

Arpan Gandhi: So, I had a couple of questions. So, my first question is with strong growth in CASA and loan referrals, what does management believe will be the biggest contributor to incremental revenue growth over the next 2 financial years?

Ketan Merchant: So, if I understood your question right, when we become an SFB, etcetera, what are our biggest growth drivers? I would just tell 2 things out here. One is maybe or not maybe, but our cost of funds. Currently, we are at 1.4% of our cost of funds with an average deposit of around INR 2,794 crores or INR 2,800-odd crores. Our endeavor is to grow that, maintaining at least 250 to 300 basis point difference between the peer bank and us.

So, CASA and the liability-first approach will definitely be the biggest game changer, if I can say, in terms of how do we grow across into our SFB. Someone earlier asked about renewal income as well. Renewal income broadly is around INR 65 crores to INR 75 crores on an average basis for each quarter, which we are looking at for this year. So, that's something which will continue. So, CASA definitely becomes a big, big important thing for us. Currently, as we speak, it contributes 50% plus of our total revenue.

Loan referral, as I said, is a testimony of our model that whether on a merchant model, the way we are garnering or way we are mobilizing deposits, similarly can be mobilized or the assets coming across as well. So, loan referral currently is INR 250 crores. It is more about testing our demographics, our model when we become an SFB and how that can become our sourcing platform along with our deposits as well.

So, both are equally important. Anup earlier mentioned it off as well that in addition to all of this, our payment-related and fee-based income, which is in the range of around INR 1,300-odd crores or on an annualized basis also intends to continue, and that will be also a differential point for us when we become asset-light SFB.

Arpan Gandhi: Okay. Understood, sir. And my next question was, what are the key business and financial milestones investors should track over the next 2, 3 quarters to assess whether the company is successfully transitioning into its next phase of growth?

Anup Agarwal: So as mentioned earlier, we are not providing any guidance right now. We are focusing on building a strong liability franchise. So, our growth in CASA, which will be the cornerstone for our SFB launch and our loan referral business, which is a testimony to say that there is a demand for credit in our target segment, which we are dealing with.

So, that both will be the cornerstones for our future growth, along with the sustained fee-based income for our transaction business and other B2B businesses, which will continue even in SFB scenario.

Moderator: The next question is from the line of Anurag Jain, an Individual Investor.

Anurag Jain: My first question is related to the corporate BC business. Where are we in terms of sale of this business? And if there are any updates you could share?

Anup Agarwal: So thank you for the question. In terms of sort of exiting the corporate BC business, it's part of our SFB transition plan, and it will be executed as per the plan before we apply to the Reserve Bank of India.

Anurag Jain: And sir, just to understand this process, do you still like once -- can you retain this business once you transition to SFB and RBI will give you a certain time to exit this business? Or is it a precondition that you have to exit it before the conversion to SFB?

Anup Agarwal: Sir, I will restrict my response to what I mentioned. It is part of our transition plan and we'll meet all the conditions, which is stipulated by the RBI for transitioning into SFB.

Anurag Jain: I'll move on to the next question. In the first 12 months of being there as an SFB, what kind of investment is envisaged for branches for technology back end? And what kind of manpower hiring would be required versus the current 3,000 employees approximately?

Anup Agarwal: So, in terms of the capex, we had mentioned in our earlier quarter presentations. So, we are anticipating a capex largely on the technology front in terms of augmenting the LOS - the lending operation system, the lending management system and other peripheral system required, collateral management, enterprise NPA.

There are various technology systems required. So we are anticipating anything between INR 120 crores to INR 150 crores of capex over a period of 1 year to 15 months from now in terms of transitioning into SFB, the first year of SFB operational. Which also largely takes care of our branch, as I mentioned earlier, the branch infra cost is not much. Largely, the spends will be on the technology front. In terms of people hiring, we are definitely going to leverage our existing 3,000 people already we have. We will be augmenting the resources in terms of hiring for our asset vertical, which will be as per our business plan once we get the final nod from the Reserve Bank of India.

Moderator: The next question is from the line of Ankit Kanodia from Zen Nivesh.

Ankit Kanodia: I just have one follow-up. Sir, it is in regards to your response to one of the earlier participants' question, where you mentioned that you are expecting about INR 2,000 crores of disbursal in FY28 when we transition into SFB.

But my general understanding as in query or is this that when we are into referral and in 6 months, we have already disbursed INR 1,400 crores, don't you think INR 2,000 crores is a very, very, very conservative number, and we should have a much bigger target? Maybe I'm missing something.

Anup Agarwal: You're absolutely right. As it will be the first year of operations. We want to test the guardrails, which we have built, the processes we have built when we go live. Hence, we have kept a very low target or maybe not conservative, but a realistic target of INR 2,000 crores in first 12 months of operations.

As we grow along, we will be growing more. And as we have mentioned earlier in our presentation, we are looking at around INR 8,000 crores to INR 10,000 crores book over a period of 3 to 4 years.

Ketan Merchant: Ankit, Ketan here. I think, yes, and Anup rightly answered this off. The answer of this also lies in what I just said earlier, we have at least 3 more quarters of our lending referral going through it.

So that will be also a good point of determination in terms of going relatively more aggressive and not only in terms of numbers, but in terms of the guardrails and in terms of the sourcing as well. So some of this will evolve as we go towards the last quarter before the launch as well.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for closing comments. Over to you, sir.

Ketan Merchant: Yes. Thank you, everyone, for patiently listening to us in terms of our quarter 2 performance and H1 performance. I'll just reiterate what we have attempted to say over the last 45-50-55 minutes. I think our strategic priorities are aligned. This is we have gone through a transition or we are going through transition. We've gone through a consolidation mode as well.

We will continue to invest for growth. And the priorities for us remain SFB transition, liabilities first approach and how do we get into further leverage our B2B and alliances business as well. This is where I just wanted to put a perspective for next couple of quarters. Thank you, everyone, for listening to us very patiently. Have a wonderful evening. Thank you.

Moderator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.